



MONTGOMERY GLOBAL FUND

INVESTMENT REPORT & FACT SHEET

FUND OVERVIEW

The Montgomery Global Fund employs a highly disciplined, bottom-up, value style and typically invests in 15 to 30 high conviction stocks listed on major global stock exchanges. The focus of The Fund is on investing in what Montgomery Global regards as high quality businesses with attractive prospects trading at a discount to their estimated intrinsic value.

The Fund has the flexibility to retain a reasonable level of cash, with a "soft" 30 per cent limit. The Fund will generally be currency unhedged but we can put in place strategies aimed at protecting investor capital against currency fluctuations if we predict material upside to the Australian dollar.

The Fund aims to deliver superior positive returns when suitable investment opportunities are abundant, and to preserve capital through cash allocations when an insufficient number of company names are appealing.

FUND FACTS

INVESTMENT MANAGER

Montgomery Global Investment Management Pty Ltd

OBJECTIVE

The Montgomery Global Fund aims to outperform the index over a rolling 5-year period.

BENCHMARK

MSCI World Net Total Return Index, in Australian dollars.

FUND CONSTRUCTION

The Fund will typically invest in a portfolio of 15-30 high-conviction stocks listed on the major global stock exchanges. Cash typically ranges from 0%-30%, but can be exceeded in certain situations.

APIR

FHT0036AU

RECOMMENDED INVESTMENT TIMEFRAME

5 years

MINIMUM INITIAL INVESTMENT

\$25,000

INCEPTION DATE

1 JULY 2015

FUND SIZE

\$87.2M

MANAGEMENT FEE

The 1.29% per annum, inclusive of GST/ITC.

PERFORMANCE FEES

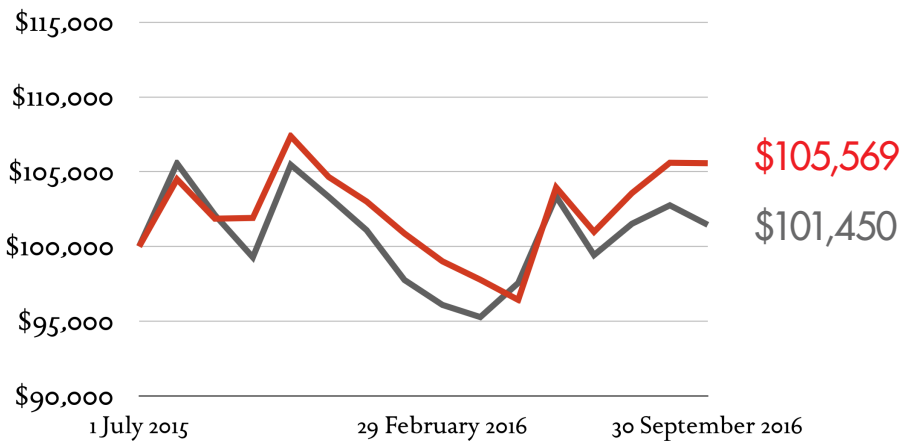
15.38% of the total return of The Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

APPLICATION & REDEMPTION PRICES

montinvest.com/mgf

PERFORMANCE GRAPH

■ Montgomery Global Fund ■ MSCI World Net Total Return Index



CONTACT DETAILS

INVESTORS

Dean Curnow
t 02 8046 5019
e dcurnow@montinvest.com

ADVISERS, RESEARCHERS AND PLATFORMS

Scott Phillips
(NSW, ACT & QLD)
t 02 8046 5005
e sphillips@montinvest.com

David Denby
(VIC, TAS, SA & WA)
t 0455 086 484
e ddenby@montinvest.com

PORTFOLIO PERFORMANCE

(to 30 September 2016, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY GLOBAL FUND	MSCI WORLD NET TOTAL RETURN INDEX ¹	OUT/UNDER PERFORMANCE
1 month	0.00%	-0.03%	-0.03%	-1.27%	1.24%
3 months	0.00%	4.54%	4.54%	2.04%	2.51%
6 months	0.00%	7.97%	7.97%	6.48%	1.49%
12 months	0.00%	3.59%	3.59%	2.19%	1.40%
Since inception ²	0.00%	5.57%	5.57%	1.45%	4.12%

1) In Australian dollars

2) Inception: 1 July 2015



FUND COMMENTARY

In the month of September, the Montgomery Global Fund was approximately flat, declining by 0.03%, net of fees. This compared to the MSCI World Total Return Index (the Benchmark) which declined by 1.27%, in Australian dollar terms. Since inception, The Fund was up by 5.57%, net of fees, versus the Benchmark which was up by just 1.45%, in Australian dollar terms.

September was a month in which the forces of monetary policy outweighed those of the underlying value drivers of individual businesses. Following reporting season in July and August, most companies had updated the market with their latest results and forecasts which left it up to the Federal Reserve and the Bank of Japan to move the market. In simple terms, the status quo prevailed. Highly accommodative monetary policy will continue – at least until mid-December, in our view.

As we look out over the remaining months of calendar 2016, there is no shortage of globally-significant events which could result in volatility. Whether it is the US Presidential election on November 8; or the Italian constitutional referendum on December 4: investors need to think deeply about how to manage these potential risks, while policymakers prefer to wait and see the outcomes before making their next move.

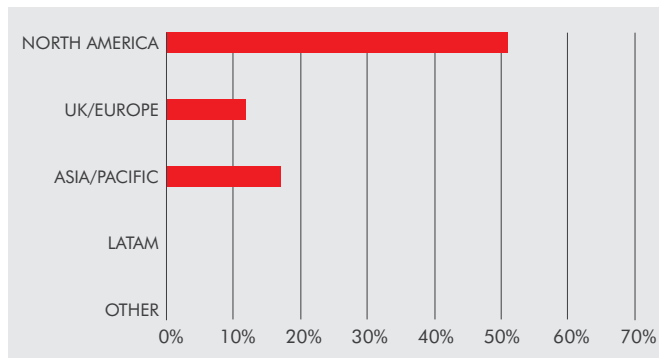
Volatility is nothing to fear and, indeed, is often the source of new opportunities. In the same way that we were quick to pounce on the opportunities presented to us by the volatility associated with Brexit, we feel well prepared to navigate any volatility over the coming quarter. We exit the month with 19.4% of the portfolio in cash – ample firepower to capitalize on any opportunities that are thrown up over the remainder of the year.

TOP COMPLETED HOLDINGS* (TCH) (at 30 September 2016, out of 25 holdings)

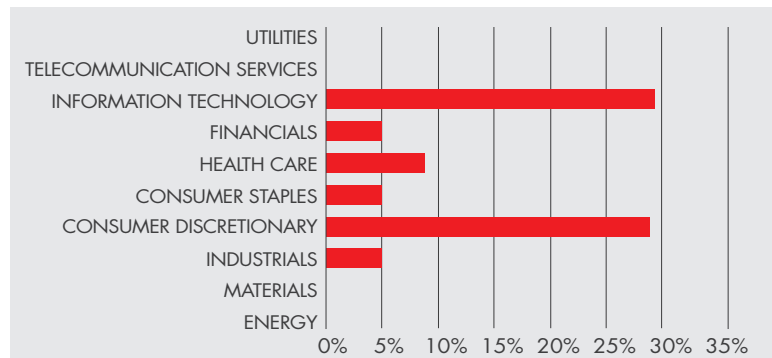
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Playtech	IM	3,810	5.3
Apple	US	609,163	4.9
CVS Health	US	94,882	4.6
Foot Locker	US	9,024	4.3
Essilor	FR	28,130	4.2
Take-Two Interactive	US	3,878	4.1
REA Group	AU	5,695	4.0
Ross Stores	US	25,500	3.8
Tencent	CN	259,960	3.5
Alibaba	CN	263,975	3.5
PORTFOLIO MEDIAN		40,500	3.1
Total equity weighting			80.6
Total cash weighting			19.4

*Top Completed Holdings are businesses we own but are not actively buying or selling at the time of writing.

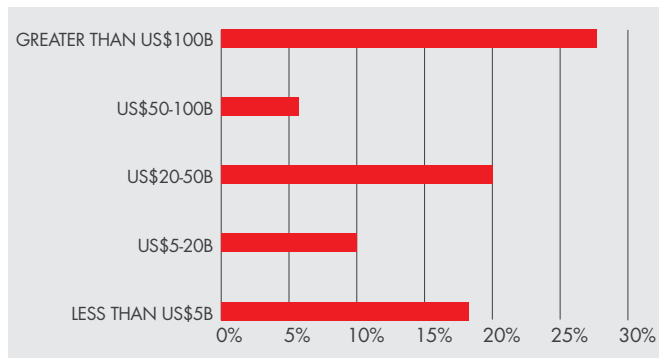
GEOGRAPHIC - COUNTRY OF DOMICILE



GICS SECTOR INDUSTRY EXPOSURE



MARKET CAPITALISATION EXPOSURE



PLATFORMS WE ARE ON: Netwealth IDPS 

#Portfolio Performance is calculated after fees and costs, including the investment management fee and performance fee, but excludes the buy/sell spread. All returns are on a pre-tax basis. This report was prepared by Montgomery Global Investment Management Pty Ltd, (ACN 604 878 533) (CAR) #001 007 050 (Montgomery) the investment manager of the Montgomery Global Fund. The responsible entity of the Fund is Fundhost Limited (ABN 69 092 517 087) (AFSL No: 233 045) (Fundhost). This document has been prepared for the purpose of providing general information, without taking account your particular objectives, financial circumstances or needs. You should obtain and consider a copy of the Product Disclosure Statement (PDS) relating to the Fund before making a decision to invest. While the information in this document has been prepared with all reasonable care, neither Fundhost nor Montgomery makes any representation or warranty as to the accuracy or completeness of any statement in this document including any forecasts. Neither Fundhost nor Montgomery guarantees the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither Fundhost nor Montgomery, including their employees, consultants, advisers, officers or authorised representatives, are liable for any loss or damage arising as a result of reliance placed on the contents of this document. Past performance is not indicative of future performance.

